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Message Text

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65
ORIGIN XMB-04

INFO OCT-01 EA-09 ISO-00 FEA-01 ERDA-07 AID-05 CEA-01

CIAE-00 CIEP-02 COME-00 DODE-00 EB-07 FPC-01 H-02

INR-07 INT-05 L-03 NSAE-00 NSC-05 OMB-01 PM-04

USIA-15 SAM-01 OES-05 SP-02 SS-15 STR-04 TRSE-00 PA-02

PRS-01 ACDA-10 NRC-07 /127 R

DRAFTED BY XMB:AMOHANIAN/RLS
APPROVED BY EB/IFD/ODF RANDOLPH A.SWART
XMB:DAVID O.BEIM
EA/PHL ROBERT T.WILLNER
---------- 064979
P 202325Z JAN 76
FM SECSTATE WASHDC
TO AMEMBASSY MANILA PRIORITY

UNCLAS STATE 014191

E.O. 11652: N/A
TAGS: APUB, RP
SUBJECT: PRESS RELEASE ON EXIMBANK CREDIT TO PHILIPPINES
FOR YOUR INFORMATION, FOLLOWING IS FINAL TEXT OF EXPORT-
IMPORT BANK RELEASE ON THE DIRECT CREDIT OF DOLS 277.2 MILLION TO
NATIONAL POWER CORPORATION OF MANILA. RELEASE IS SCHEDULED
FOR ANNOUNCEMENT HERE IN WASHINGTON, DC AFTER 2:00 PM WEDNES-
DAY, JANUARY 21, 1976.

QUOTE: EXIMBANK CREDIT OF DOLS 277.3 MILLION SUPPORTS DOLS
616.4 MILLION SALE OF US NUCLEAR PLANT EQUIPMENT TO PHILLIPPINES

THE EXPORT-IMPORT BANK HAS AUTHORIZED A CREDIT OF DOLS 277.2
MILLION TO THE NATIONAL POWER CORPORATION OF MANILA (NPC) TO
HELP FINANCE THE US PURCHASE PRICE OF DOLS 616.4 MILLION FOR
GOODS AND SERVICES FOR THE PHILLIPPINESFIRST NUCLEAR POWER
PLANT. THE AUTHORIZATION FOR THIS PROJECT IS THE LARGEST EVER
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APPROVED BY EXIMBANK.

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NPC PLANS TO BUILD A SINGLE UNIT AT THE BAGAC NUCLEAR POWER STATION SITE ON LUZON ISLAND, ABOUT 75 KM WEST OF MANILA. WESTINGHOUSE ELECTRIC CORPORATION OF PITTSBURGH, PENNSYLVANIA, WILL FURNISH A PWR TYPE PLANT UNDER A TURNKEY CONTRACT. EBASCO SERVICES OF NEW YORK, NY, WILL PROVIDE RELATED CONSULTING ENGINEERING SERVICES DIRECTLY TO NPC, AND BURNS & ROE OF ORADELL, NEW JERSEY, WILL PROVIDE DETAILED PLANT DESIGN UNDER SUB-CONTRACT TO WESTINGHOUSE. US COSTS ARE ESTIMATED AT DOLS 544.5 MILLION FOR THE PLANT, DOLS 47.6 MILLION FOR INITIAL FUEL CORE, AND DOLS 24.3 MILLION FOR TRANS-MISSION LINES AND SUBSTATIONS.

EXIMBANK'S CREDIT REPRESENTS 45 PERCENT OF THE TOTAL US COSTS. AMEX INTERNATIONAL LIMITED, CITICORP INTERNATIONAL BANK LIMITED, AND MANUFACTURERS HANOVER LIMITED, ALL OF LONDON, ENGLAND, WILL ACT AS SYNDICATE MANAGERS AND WILL PROVIDE A CREDIT OF DOLS 277.2 MILLION TO FINANCE THE REMAINING 45 PERCENT OF THE US COSTS. WHICH WILL BE COVERED BY EXIMBANK'S FINANCIAL GUARANTEE. THE BORROWER WILL MAKE CASH PAYMENT OF DOLS 62 MILLION, REPRESENTING 10 PERCENT OF THE TOTAL US COSTS. IN ADDITION, EXIMBANK WILL PROVIDE A FINANCIAL GUARANTEE OF NOT MORE THAN DOLS 90 MILLION TO HELP FINANCE INTEREST COSTS DURING CONSTRUCTION.

EXIMBANK'S INTEREST RATE IS 8-1/2 PERCENT PER ANNUM. EXIMBANKS LOANS ARE TO BE REPAID IN THREE SCHEDULES; THE DOLS 244.9 MILLION FOR PLANT PURCHASES WILL BE REPAID IN 5 SEMIANNUAL INSTALLMENTS BEGINNING JUNE 10,1992, THE DOLS 10.9 MILLION FOR TRANSMISSION FACILITIES IN TWO SEMIANNUAL INSTALLMENTS BEGINNING JUNE 10, 1992, AND THE DOLS 21.4 MILLION FOR THE INITIAL FUEL CORE IN 4 SEMIANNUAL INSTALLMENTS BEGINNING JUNE 10, 1991. UNQUOTE

FEEL FREE TO PUBLICIZE THIS TRANSACTION WITHIN THE PHILIPPINES FOLLOWING TIME OF RELEASE. ALTHOUGH THE TRANSACTION WILL NOT BE GIVEN SPECIAL PUBLICITY IN THE US, EXIMBANK WOULD APPRECIATE RECEIVING PHOTOS FOR POSSIBLE USE IN THE BANK'SMONTHLY REPORT TO ITS CUSTOMERS. SISCO

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 20 JAN 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976STATE014191
Document Source: CORE
Document Unique ID: 00
Drafter: AMOHANIAN/RLS
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760022-0035
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760140/aaaabjfp.tel
Line Count: 99
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN XMB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: greeneet
Review Comment: n/a
Review Content Flags:
Review Date: 29 JUL 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <29 JUL 2004 by castelsl>; APPROVED <08 NOV 2004 by greeneet>
Review Markings:

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US Department of State
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04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PRESS RELEASE ON EXIMBANK CREDIT TO PHILIPPINES FOR YOUR INFORMATION, FOLLOWING IS FINAL TEXT OF EXPORT-
TAGS: APUB, RP
To: MANILA
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006